

## Message Text

UNCLASSIFIED

PAGE 01 CANBER 00361 160142Z  
ACTION EA-12

INFO OCT-01 ISO-00 EB-08 COME-00 OPIC-06 INT-05 PA-02  
PRS-01 USIA-15 CIAE-00 INR-07 NSAE-00 L-03 /060 W  
-----019436 160154Z /73

R 152307Z JAN 78  
FM AMEMBASSY CANBERRA  
TO SECSTATE WASHDC 2167

UNCLAS CANBERRA 361

E.O. 11652: N/A  
TAGS: PFOR, EMIN, EFIN, EINV, SENV, AS  
SUBJ: NEW SOUTH WALES PREMIER REBUKES DILLINGHAM CORP.

REF: CANBERRA 329

1. THE PREMIER OF NEW SOUTH WALES, NEVILLE WRAN, SHARPLY AND PUBLICLY REBUKED THE DILLINGHAM CORP. FOR DISSEMBLING TO THE PUBLIC IN ITS REASONS FOR CLOSING DOWN ITS MINERAL SANDS OPERATIONS IN AUSTRALIA.

2. WRAN SAID FOR DILLINGHAM TO EVEN INTIMATE THAT THE LOSS OF JOBS FOR 350 EMPLOYEES WAS DUE TO THE STATE GOVERNMENT'S DECISION TO STOP MINING AT THE FRASER ISLAND NATIONAL PARK WAS SIMPLY NOT SUPPORTED BY FACT. DILLINGHAM HAD SACKED 108 EMPLOYEES BEFORE THE NSW CABINET'S DECISION TO CLOSE DOWN THE FRASER ISLAND OPERATION LAST JUNE.

3. "IF DILLINGHAM WANTED TO BE FRANK;" WRAN SAID, "IT WOULD ACKNOWLEDGE THAT IT HAD AN 18-MONTH UNSOLD STOCKPILE OF MINERALS EXTRACTED FROM BEACH SANDS IN NEW SOUTH WALES. DILLINGHAM HAD DISMISSED 108 EMPLOYEES FROM THREE OF ITS OPERATIONS IN NSW EVEN BEFORE THE NSW DECISION IN JUNE TO CLOSE DOWN MINING OPERATIONS IN NATINAL PARKS. IN DECEMBER, DILLINGHAM CLOSED ITS BROOMS HEAD OPERATIONS AND DISMISSED 35 EMPLOYEES IN SPITE OF THE FACT THAT  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CANBER 00361 160142Z

THERE ARE STILL 4 MILLION DOLLARS WORTH OF MINERAL SANDS YET TO BE MINED THERE."

4. WRAN SAID THERE WAS A MASSIVE OVER-SUPPLY OF SUCH MINERALS AS RUTILE, PARTICULARLY AS A RESULT OF THE RECENT DEVELOPMENT OF BEACH SANDS IN SOUTH AFRICA. AS A CONSEQUENCE, WORLD PRICES HAVE FALLEN STEEPLY, AND

DILLINGHAM WAS LEFT WITH A SUBSTANTIAL UNSOLD RESERVE.  
ASKED BY AN ABC-TV INTERVIEWER WHETHER HE WAS IMPLYING  
THAT DILLINGHAM WOULD PROBABLY HAVE CLOSED DOWN ITS  
OPERATINS EVEN IN THE ABSENCE OF A GOVERNMENT ORDER TO  
DO SO AND WAS MERELY TAKING ADVANTAGE OF THE GOVERNMENT ORDER  
IN BRINGING ITS "DAMAGE" SUITS, WRAN INDICATED HE  
BELIEVED DILLINGHAM WAS DOING JUST THAT. "WE ARE NOT GOING  
TO BE HELD RESPONSIBLE FOR DECISIONS MADE IN HONOLULU BY  
DILLINGHAM WITHOUT REFERENCE TO THE GOVERNMENT, AND ON A  
BASIS WHICH, I REPEAT, DOES NOT BEAR EXAMINATION," MR. WRAN  
SAID. " I BELIEVE THAT DILLINGHAM SHOULD HAVE BEEN FRANKER  
WITH THE PUBLIC WHEN IT ISSUED ITS STATEMENT" (WHICH SAID  
DILLINGHAM WAS CLOSING ITS AUSTRALIAN OPERATIONS BECAUSE IT  
WAS FORCED TO BY THE NSW GOVERNMENT.)  
ALSTON

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MINING  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978CANBER00361  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780022-0619  
**Format:** TEL  
**From:** CANBERRA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780162/aaaacach.tel  
**Line Count:** 77  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** d1a063e3-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 CANBERRA 329  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 28 feb 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3773052  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW SOUTH WALES PREMIER REBUKES DILLINGHAM CORP.  
**TAGS:** PFOR, EMIN, EFIN, EINV, SENV, AS  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/d1a063e3-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014